

**APPENDIX H: RECIPROCAL EASEMENT AND ROAD MAINTENANCE
AGREEMENT**

RECIPROCAL EASEMENT AND ROAD MAINTENANCE AGREEMENT

THIS AGREEMENT is made and entered into this ____ day of September, 2002, by and between **DEBRA HIGHFILL** of Kalispell, Montana (hereinafter "Highfill"), and **VALLEY VIEW PARTNERS, LLC**, a Montana limited liability company (hereinafter "Valley View").

WHEREAS, Highfill is the owner of a tract of real property located in Flathead County, Montana, and more particularly described as follows:

Tract 9 as depicted on Certificate of Survey No. 15049, on file and of record with the office of the Flathead County Clerk and Recorder; and

hereafter referred to as "Tract 9;" and

WHEREAS, Valley View is the owner of two tracts of real property located in Flathead County, Montana, and more particularly described as follows:

Tracts 1 and 10 as depicted on Certificate of Survey No. 15049, on file and of record with the office of the Flathead County Clerk and Recorder; and

such parcels hereafter referred to as "Tract 1" and "Tract 10," respectively; and

WHEREAS, a roadway designated as "Trillium Way" traverses a portion of Tract 9 and a portion of Tract 1, the specific location of Trillium Way being depicted on Certificate of Survey No. 15049, (hereinafter "Trillium Way"); and

WHEREAS, a roadway extending south from Trillium Way (which roadway is designated as "40' Ingress Egress Easement" on Certificate of Survey No. 15049), traverses a portion of Tract 9; and

WHEREAS, Highfill wishes to grant Valley View and its successors and assigns a perpetual easement for the purposes of ingress and egress over and across the portion of Tract 9 and in the location designated as "Trillium Way," allowing access to all properties served by Trillium Way, as depicted on Certificate of Survey No. 15049; and

WHEREAS, Highfill desires to grant Valley View, its successors and assigns, a perpetual easement for the purpose of ingress and egress easement to and from Tract 10 over and across Tract 9, the location of said easement being defined by the roadway designated as "40' Ingress Egress Easement" depicted on Certificate of Survey No. 15049; and

WHEREAS, Valley View wishes to grant Highfill, her heirs, successors and assigns, a perpetual easement for the purpose of ingress and egress to and from Tract 9 over and across Tract 1, which easement is located on the portion of Tract 1 designated as Trillium Way; and

WHEREAS, the parties wish to memorialize their understanding concerning the responsibility for maintenance of the roadways the subject of the easements described above.

NOW, THEREFORE, in consideration of the foregoing recitals and in further consideration of the mutual covenants and conditions hereafter set forth, the parties agree as follows:

1. Easement - Highfill to Valley View: Highfill does hereby give and grant unto Valley View, its successors and assigns, a perpetual easement over and across that portion of Tract 9 depicted as Trillium Way as shown on Certificate of Survey No. 15049. Said easement shall inure to the benefit of Valley View and all future owners of all parcels of real property adjacent to Trillium Way. For purposes hereof, the said parcels of real property adjacent to Trillium Way are Tracts 1, 2, 3, 4, 5, 6, 7, and 8 depicted on Certificate of Survey No. 15049.

Highfill does hereby give and grant unto Valley View, its successors and assigns, a perpetual easement over and across Tract 9 for purposes of ingress and egress to Tract 10. Said easement shall be forty feet (40') in width, and shall be located as described on Certificate of Survey No. 15049 as the "40' Ingress Egress Easement" traversing Tract 9 in a more or less north-south direction.

2. Easement - Valley View to Highfill: Valley View does hereby give and grant unto Highfill, her heirs, successors and assigns, a perpetual easement over and across that portion of Tract 1 depicted as Trillium Way as shown on Certificate of Survey No. 15049, for purposes of ingress and egress to Tract 9.
3. Easements to Run With the Land: The grant of easements set forth above shall run with the land and shall be binding on and inure to the benefit of the parties hereto, their respective heirs, successors and assigns.
4. Road Maintenance: The parties acknowledge that ten (10) parcels of real property are accessed by Trillium Way; namely Tracts 1, 2, 3, 4, 5, 6, 7, 8, 9, and 10 as depicted on Certificate of Survey No. 15049. The parties agree that Highfill, her heirs, successors and assigns, shall pay ten percent (10%) of all costs reasonably necessary for the maintenance, improvement and/or reconstruction of Trillium Way, including snow removal, with Valley View, its successors and assigns, responsible for payment of the remaining ninety percent (90%) of said costs. Notwithstanding the foregoing, Valley View shall bear all costs and expenses associated with the initial construction of Trillium Way and Highfill shall not be responsible for any costs associated with said initial construction of Trillium Way.

Valley View, its successors and assigns, and Highfill, her heirs, successors and assigns, shall equally share all costs associated with the maintenance and repairs to the roadway designated as "40' Ingress Egress Easement" over and across said Tract 9.

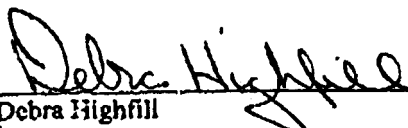
5. The easement granted by Highfill to Valley View over and across Tract 9 designated as "40' Ingress Egress Easement" shall be for the use of Valley View, its successors and assigns, their guests, invitees, and employees. The parties acknowledge that Valley View is currently a party to a real estate contract with the State of Montana relative to Tract 10, which contract contemplates that the State of Montana will purchase said Tract 10 from Valley View. The easement granted by Highfill to Valley View, its successors and assigns, for ingress and egress associated with Tract 10 shall be for use by the general public in the event said Tract 10 is ultimately conveyed to the State of Montana by Valley View.
6. In the event the State of Montana acquires Tract 10 from Valley View as is currently contemplated, the State of Montana, as a condition to the use of the easement over and across Tract 9, shall bear all costs and expenses associated with constructing or improving the roadway depicted as the "40' Ingress Egress Easement" over and across Tract 9. Highfill, her heirs, successors and assigns, and the State of Montana, its successors and assigns, shall thereafter (after the initial construction and/or improvement of said roadway) share all expenses for maintenance, improvements and reconstruction of said roadway in proportion to the use of said roadway by Highfill, her heirs, successors and assigns, and the State of Montana, its successors and assigns. In the event Highfill and the State of Montana are unable to agree upon their proportionate use

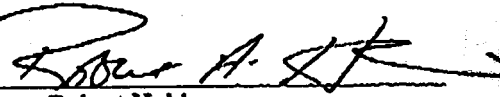
of the roadway, the State of Montana shall bear all expenses associated with determining said usage by conducting vehicle counts relative to the roadway.

7. As a condition to Highfill's grant of an easement to Valley View, Valley View agrees to construct a roadway consistent with that contemplated in the June 28, 2002 letter from Bud Bower to Robert W. Ross Construction, Inc. Valley View agrees to pay all expenses associated with the construction of said roadway, which roadway must be constructed not later than August 1, 2003.

IN WITNESS WHEREOF this Agreement is executed the day and year first above written.

VALLEY VIEW PARTNERS, LLC


Debra Highfill

By 
Robert Helder


STATE OF MONTANA)
) ss.
County of Flathead

This instrument was acknowledged before me on the 4th day of Sept, 2002 by DEBRA HIGHFILL.


Notary Public for the State of MT
Residing at 241 Main Street
My Commission expires April 17, 2005

STATE OF MONTANA)
) ss.
County of Flathead

This instrument was acknowledged before me on the 4th day of Sept, 2002 by ROBERT HELDER, a Member of Valley View Partners, LLC.


Notary Public for the State of MT
Residing at 241 Main Street
My Commission expires April 17, 2005